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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

BAYAT, BRADLEY B

ART UNIT	PAPER NUMBER
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3621

DATE MAILED: 12/22/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/651,320

Applicant(s)

MANIAR ET AL.

Examiner

Bradley Bayat

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 September 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-39 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-39 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☐ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____

DETAILED ACTION

Claims 1-39 are presented for examination on the merits.

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on September 23, 2004 has been entered.

Response to Arguments

Applicant's arguments filed on 9/23/2004 have been fully considered but they are not persuasive.

Applicant argues that the Flaig (6,488,206 B1) requires identifying information from an applicant to validate rather than activate a credit card (response p. 13). Further, the applicant contends that Flaig does not utilize a "risk-splitting question" based on another to activate a card (response pages 12-13). The examiner submits that Flaig utilizes multiple questions in sequence and based on any one of them having not satisfied the requisite criteria, the activation process is terminated (column 5, lines 18-50; column 6, lines 30-36).

Applicant further contends that Hall (6,158,657) does not teach or suggest determining a credit limit for a credit card based on risk-splitting questions (response pages 13-14). In fact, Hall teaches the use of a secondary risk analysis to further evaluate a customer's risk prior to activation of a credit card product (column 11, line 44 – column 12, line 10).

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-16, 21-33 and 38-39 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural

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phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claims 1, 12 and 21 and corresponding dependent claims only recite an abstract idea. The recited steps of merely sending a credit card to a customer and performing an analysis to determine a credit limit and activate a credit card do not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in the mind of the user or by use of a pencil and paper.

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claim 1-16, 21-33 and 38-39 are deemed to be directed to non-statutory subject matter.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1, 2, 5-13, 15-22, and 24-39 are rejected under 35 U.S.C. 103(a) as being unpatentable over Flaig et al. (hereinafter Flaig), U.S. Patent 6,488,206 B1 in view of Hall, III et al., (hereinafter Hall) U.S. Patent 6,158,657.

As per claims 1, 12, 17, 19 and 21, Flaig discloses a method for providing a credit card product, said method comprising: sending an applicant a credit card that has not been activated (column 1, lines 10-34); requiring the applicant to answer at least a first risk-splitting question and a second risk-splitting question, the second risk splitting question being based on a reply to the first risk splitting question (figures 2 and 3 and associated text; column 5, lines 18-50); and activating the credit card with the credit limit (figures 2 and 3 and associated text; column 5, line 51 – column 6, line 44). Flaig does not explicitly teach the determination of a credit limit based on the applicant's answers to risk-splitting questions. Hall, however, teaches that the determination of a credit limit is typically based on several factors, the most important of which are the applicant's credit history and earning capacity (column 1, lines 33-41). Hall is evidence that one of ordinary skill in the art would recognize that a cardholder's credit limit is based on applicant's answers to certain relevant financial questions that determine the cardholder's "spending power." Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include such "risk-splitting" questions in processing, determining and activating a credit card product, as per teachings of Hall.

As per claims 2 and 22, Flaig discloses a method for providing a credit card product, said method comprising: sending an applicant a credit card that has not been activated (column 1, lines 10-34); requiring the applicant to answer at least a first risk-splitting question and a second risk-splitting question, the second risk splitting question being based on a reply to the first risk splitting question (figures 2 and 3 and associated text; column 5, lines 18-50); and activating the credit card with the credit limit (figures 2 and 3 and associated text; column 5, line 51 – column 6, line 44). Flaig does not explicitly teach a method wherein sending a credit card that has not

been activated depends on prior approval based on credit bureau information. Hall, however, teaches that the sending of a credit card that has not been activated depends on prior approval based on credit bureau information (figures 4,5 and associated text). Hall is evidence that one of ordinary skill in the art would recognize that a cardholder's preliminary approval for a credit card product is based at least in part on the applicant's credit history. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to verify the cardholder's credit history prior to sending a credit card, as per teachings of Hall.

As per claims 5 and 24, Flaig discloses a method wherein said requiring applicant to answer risk-splitting questions invites the applicant to telephone an issuer and activate the credit card by telephone (column 1, line 40-52).

As per claims 6 and 25, Flaig discloses a method wherein a live person posing the risk-splitting questions to the applicant and translating those answers into a standardized format (column 2, lines 8-18).

As per claims 7 and 26, Flaig discloses a method wherein a voice recognition unit (VRU) posing the risk-splitting questions to the applicant and requiring that the applicant answer in a standardized format (column 3, lines 30-63).

As per claims 8, 15 and 27, Flaig discloses a method wherein further comprises a means for confirming the applicant's answers to the risk-splitting questions (columns 3-4).

As per claims 9, 16 and 28, Flaig discloses a method for providing a credit card product, said method comprising: sending an applicant a credit card that has not been activated (column 1, lines 10-34); requiring the applicant to answer at least a first risk-splitting question and a second risk-splitting question, the second risk splitting question being based on a reply to the first risk

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splitting question (figures 2 and 3 and associated text; column 5, lines 18-50); and activating the credit card with the credit limit (figures 2 and 3 and associated text; column 5, line 51 – column 6, line 44). Flaig does not explicitly teach a method wherein determining the applicant's credit limit comprises of combining credit bureau information and the applicant's answers to the risk-splitting questions. Hall, however, teaches a method wherein determining the applicant's credit limit comprises of combining credit bureau information and the applicant's answers to the risk-splitting questions (column 1, lines 33-41; figures 4,5 and associated text). Hall is evidence that one of ordinary skill in the art would recognize that a cardholder's credit limit is based on applicant's answers to certain relevant financial questions that determine the cardholder's "spending power." Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include "risk-splitting" questions beyond that of credit history in processing, and determining a cardholder's credit limit, as per teachings of Hall.

As per claims 10,18, 20 and 29, Flaig discloses a method for providing a credit card product, said method comprising: sending an applicant a credit card that has not been activated (column 1, lines 10-34); requiring the applicant to answer at least a first risk-splitting question and a second risk-splitting question, the second risk splitting question being based on a reply to the first risk splitting question (figures 2 and 3 and associated text; column 5, lines 18-50); and activating the credit card with the credit limit (figures 2 and 3 and associated text; column 5, line 51 – column 6, line 44). Flaig does not explicitly teach a method of factoring in external data into the determination of applicant's credit limit. Hall, however, teaches a method of factoring in external data into the determination of applicant's credit limit (column 1, lines 33-53; figures 4,5 and associated text). Hall is evidence that one of ordinary skill in the art would recognize that a

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cardholder's credit limit is based on applicant's answers to certain relevant financial questions that determine the cardholder's "spending power." Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include certain "risk-splitting" questions in processing and determining a cardholder's credit limit, as per teachings of Hall.

As per claim 11, Flaig discloses a method for providing a credit card product, said method comprising: sending an applicant a credit card that has not been activated (column 1, lines 10-34); requiring the applicant to answer at least a first risk-splitting question and a second risk-splitting question, the second risk splitting question being based on a reply to the first risk splitting question (figures 2 and 3 and associated text; column 5, lines 18-50); and activating the credit card with the credit limit (figures 2 and 3 and associated text; column 5, line 51 – column 6, line 44). Flaig does not explicitly teach a method wherein said activating the credit card comprises cross selling at least one other product based upon the applicant's answer to risk-splitting questions. Hall, however, teaches a method wherein said activating the credit card comprises cross selling at least one other product based upon the applicant's answer to risk-splitting questions (column 9, lines 5-15). Hall is evidence that one of ordinary skill in the art would recognize that upon qualifying and determining the type of credit card product to offer a cardholder, other potential offers or solicitations can be made to the cardholder. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include solicitations to cross sell other products upon qualifying and initiating the cardholder, as per teachings of Hall.

As per claim 13, Flaig discloses a method wherein said means for requiring the applicant to answer risk-splitting questions comprises means for answering and activating the credit card via the Internet (column 3, lines 30-63).

As per claim 31, Flaig further discloses wherein requiring the applicant to answer at least the first risk-splitting question further comprises the first risk-splitting question comprising one of asking the applicant for the applicant's gross annual income, asking the applicant if the applicant has a car, asking the applicant if the applicant has a checking account, asking the applicant if the applicant owns a residence, asking the applicant for the applicant's monthly housing or rent payment, asking the applicant if the applicant has a car loan, or asking the applicant how many credit cards the applicant (column 11, line 44-column 12, line 10).

Claims 30, 32-39 are further rejected as above.

Claims 3-4, 14, and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Flaig et al. (hereinafter Flaig), in view of Walker et al. (hereinafter Walker), U.S. Patent 6,088,686.

As per claims 3-4, 14, and 23, Flaig discloses a method for providing a credit card product, said method comprising: sending an applicant a credit card that has not been activated (column 1, lines 10-34); requiring the applicant to answer at least a first risk-splitting question and a second risk-splitting question, the second risk splitting question being based on a reply to the first risk splitting question (figures 2 and 3 and associated text; column 5, lines 18-50); and activating the credit card with the credit limit (figures 2 and 3 and associated text; column 5, line 51 – column 6, line 44). Flaig does not explicitly teach the limitation of assigning a temporary credit limit based on credit bureau information without the applicant's knowledge. Walker

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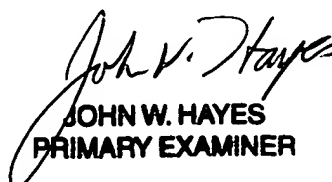
teaches the limitation of pre-determined credit qualified offer amounts based upon applicant's credit bureau information (column 6, lines 25-37; columns 11-12). Walker further teaches the use of numerous external data apart from credit bureau information to determine credit worthiness (columns 15-17). Walker is evidence that one of ordinary skill in the art would recognize the benefit of a pre-approved or temporary credit limit for credit worthy consumers. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify a typical time consuming credit application approval process with a temporary pre-approved credit limit for credit worthy consumers, as per teachings of Walker.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bradley Bayat whose telephone number is 703-305-8548. The examiner can normally be reached on Tuesday-Friday during normal business hours.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 703-305-9768. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


JOHN W. HAYES
PRIMARY EXAMINER